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29 Dec 1949

The Honorable Frank Pace, Jr.
The Director of the Bureau of the Budget
Bureau of the Budget
Washington 25, D.C.

Dear Mr. Pace:

Under the legislation recently extended this Agency for its administration (P.L. 110, 81st Congress), I have been authorized to grant certain allowances to officers or employees in accordance with the provisions of Section 901 (1) and 901 (2) of the Foreign Service Act of 1946. The provision, found in Section 5 (b) of P.L. 110, stipulates, however, that the allowances may be granted only in accordance with such regulations as the President may prescribe. In order to perfect my powers and fulfill the functions of the Agency under the Act, I am submitting the enclosed draft of a proposed Executive Order which I believe carries out the intent of Congress. The desire is to follow, insofar as possible, the regulations already issued by the Secretary of State, and even to apply them as residuary provisions when we have none specifically issued.

Various fiscal and administrative problems are in a pending status awaiting issuance of the Presidential authority. The draft is therefore forwarded for your consideration and approval.

Sincerely yours,

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R. H. Hillenkoetter
Rear Admiral, USN
Director of Central Intelligence

cc: Subject
Chrono
Signer's copy
Central Records
Return to Legal Staff dated

Budget

Cross reference: Subject:
322 (1948-49)
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314 E Foreign Service.